

DD/A Registry
File *Speeches*

STATE OF THE DIRECTORATE
MR. BROWMAN
15 March 1974

Good morning everybody. Welcome to the first State of the M&S in the history of the Agency, and I might be so bold as to say, the first State of DDS, DDA or any of its other predecessor organizations. I might announce at this time that it is my intention to do this annually. I think its very theraputic for myself and for some of my Office Directorss in terms of what have we accomplished and where are we going. There is an issue that came up the other day that was not part of the planned presentation but I thought I might like to try a brief experiment if you would assist me, I'd like a show of hands of those people who are M&S Careerists who are not in the M&S Directorate...Gentlemen in the first row, that is not enough.

This year has been a very difficult and exciting year for all of us. Witness the Mid-East crisis. International Terrorism has taken on dimensions that we never anticipated and certainly is a hard shock to all of us. We are heavily involved in Watergate and this seems to hang over from year to year. I don't believe there is anyone here today or in the Federal Government who could make a reasonable prediction of when it will end.

We have an energy crisis. People have been late to work. People have to wait on long lines at gas stations; they have had to extend their lunch hours or dash out in mid-morning and get gasoline. It has been rather frustrating; for all of us. I might add that in some of my trips overseas I noticed that the same thing is occuring there. In Saigon and

-2-

STAT in particular, the lines at gas stations were anywhere from a half of mile to two miles long. So some of our comrades and colleagues overseas are suffering the same problems that we are.

It is an era of shortage; a shortage of meat in the grocery store, a shortage of paper in the CIA, and that's a serious problem. It's an era of change as far as the Agency goes in terms of reorganization. I suspect we broke the record this past year and I don't think it is an envious one, of having essentially three directors. Mr. Helms leaving, Dr. Schlesinger coming, staying a short time, being moved to the Department of Defense, and Mr. Colby becoming the Director. All in all, I think it's an achievement that we have been able to maintain our stability in terms of the impact on our personal lives and the impact on our professional lives.

Now it is still good for me to address how you adjust your personal lives to the problems of the world and the country today, but I figured it's worthwhile to take a look at how we reacted and responded to the impact in terms of our professional organization. Let me go first to the issue that is covered in every speech given by every senior officer in this Organization over the last six months and maybe over the year--that's Watergate. Let's put that to rest right now. We have gone through a fair amount of hell with respect to Watergate. There have been numerous papers, investigations and hearings, and affidavits, sworn testimony and you name it. It hasn't stopped; it will continue for a while. One hopes it will stop. One is shocked by the amount of manhours that it has taken. But in the final analysis to date, and I think the future will show, that number one, this Agency and number two, the senior officers of this Agency, have been guilty of no wrong doing. I think there will be some impact from

-3-

Watergate, however, and I think we should approach this in a realistic and straight-forward manner. There will be changes to the National Security Act of 1947. I feel very certain of that. I don't think the changes will really impact on our day-to-day operations or our long-term growth or achievement. I think the changes are going to be welcome changes; there will be changes of clarification, adding crispness to the law with heavy emphasis on foreign intelligence. Probably it will result in a modification of the law and new legislation that will give the DCI some teeth in the responsibility that he has given him today and that is to be responsible for the sources and methods of intelligence. These and other crispings will come out of Congress. Again, I want to emphasize the CIA is not going down the tubes. It is going to continue to exist and operate and perform its functions as it has been performing for twenty, nigh on twenty-six years.

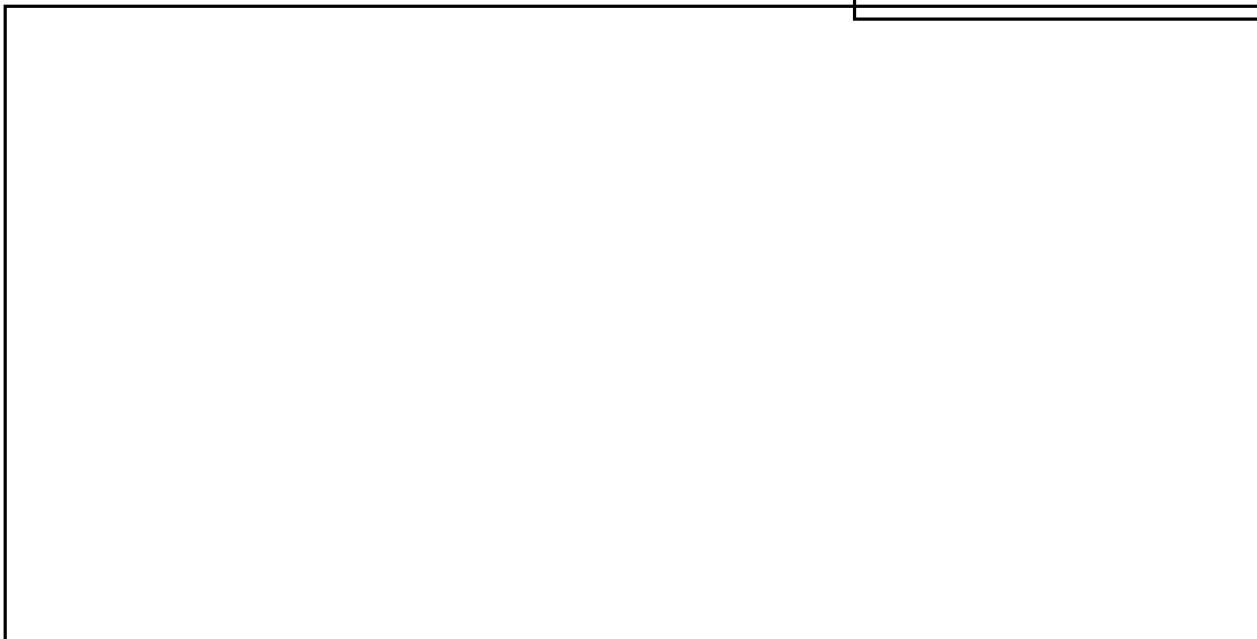
(NEXT CHART)

I've taken the liberty since this is the first of such talks to tell you a little about your Directorate, your home offices for those careerists who are outside the Directorate, and a little about myself and the people who assist me in carrying out our responsibilities on a day-to-day basis. Now, one of the impacts that we have to address in that area is what happened last year in terms of reduction of people. I think this chart shows almost a 9 percent reduction in overall M&S careerists strength, and that's not Directorate. Significantly, overseas, and that's to some extent where the action's at, we have almost a little more than 21 percent reduction. I think that one can draw the conclusion that perhaps we are a little fat and a little overstaffed in Headquarters. True, the problems in Headquarters are different than the problems of overseas. However,

-4-

when I asked that these numbers be drawn up to be presented to you, I frankly have to admit that I was shocked. And, I think that we have to understand that we must at Headquarters, if we are going to maintain these types of cuts, maintain a balance in the support of our people overseas.

Now, in terms of responding to the pressures, one of the items, and one of the items of management of this Organization, is to bring new people in at varying levels. In the past year we have brought in three senior officers into the M&S Career Service. The first is



The second key individual we brought into the M&S Career Service is Fred Janney.



brings to that Office some knowledge of what's happening in the rest of the Agency from a grass roots perspective. Then

-5-

the Organization.

(NEXT CHART)

This is the basic structure that we use to manage the Directorate and the Career Service. It appears perhaps as a hodge-podge of various items but there is a logic and a rationale behind it. Now before I go into some details about it, I would like to point out that the Information Systems and Analysis Staff is fairly new to the Organization and the Historical Staff is new to the Organization, these being transferred from the now defunct Executive Director-Comptroller job in the Agency.

STAT

is responsible for the ISAS and has responsibility for records management which is part of the paper usage problem, for classification and declassification and dealing with the outside world in terms of classified material in general. Walt Elder who comes to us from the DDO heads the Historical Staff and Walt's background is most unusual and well-suited to running the Historical Staff.

The one item that is not on the Organization chart which was here initially was that of the PPB or Comptroller's function. I'm sure that there are a lot of people in this group and in the Agency who ascribe weird and unusual occurrences relative to the fact that the Comptroller's Office was placed in this Directorate by Jim Schlesinger and then removed by Bill Colby some time after he became DCI. I don't think there's anything mysterious about it. I think its basically related to two functions: one, a style of management that is different between Jim Schlesinger and Bill Colby and second, it was Bill Colby's earnest desire, in light of all the investigations and activities relative to Watergate and the comings and goings of the internal workings of the Agency, to separate out the controller function which is a post-audit function in

-6-

the main, from the function of supplying resources and allocating resources to the various activities of the Agency, therefore, to provide a better definition of a check and balance between assignment of resources and the result derived by those resources. So there is nothing mysterious about that at all.

Now, with this type of an Organization, the first problem one has in managing this operation is communications and I gather that communications is a subject that's near and dear to many peoples' hearts. You talk to junior officers, you talk to intermediate officers, you talk to senior officers and one message that comes through loud and clear is that we don't have enough communications. Well, I think some of that is a little over-worked. I don't feel very guilty about our communications in this kind of a structure. Our communications is both oral and written. For example, your Office Directors meet with me and the Executive Officer every morning at 8:30 for what might be considered a standup meeting which represents the highlights or problems of the day's activity which I might want to bring up at the DCI's morning meeting. But more significant than that, and the real basis of the meeting, is the fact that it gives the Office Directors an opportunity to sit around the table and carry on some business of coordination, and it's more often than not, after I leave to go to the DCI meeting, they stay and discuss all the matters, whether as a group or in groups of two or three. In addition, as far as communications goes, they are required to supply every Friday a very short report in writing to me and my staff on the highlights and activities of the week that's gone by and the highlights of their plans for the next week and I assure you these are read very carefully and they can attest to it. I occasionally come up with some interesting questions.

-7-

In addition to that, if that's not enough communications, we do have a monthly staff meeting which runs anywhere from 2 to 3 hours and that's scheduled on the last working Friday of every month at 4:00 in the afternoon. We recently scheduled and, I personally found it very satisfactory and so did my Office Directors, a weekend session down at where we had very frank discussions about what our problems are and perhaps how to solve them. I don't want to fool you or anyone else, we did not solve all the problems but we identified them and we passed them on to various groups. It might interest you to know that one of the actions taken at that meeting was the problem of succession. Each Office Director, in front of his peers and myself, stood up and talked about the people that they felt were qualified or near-qualified to take over their job or their deputy's job in the next five years and identified what assignments or training certain people might need to enhance their qualifications. Right now we have at least three candidates for every one of those assignments. And, I might add without giving you further details, that one of the candidates for one of the Office Director jobs is a GS-15. How do you like them apples!

(LIGHTS UP)

Now, we are still talking about management techniques. One of the techniques that we have instituted this past year is Management by Objectives, MBO. Now is you respond to me, that's no trick. Everybody in Washington is doing it and besides you didn't choose it, it was imposed upon the CIA by fiat. The answer is your absolutely correct. However, we had a very interesting experience on MBO. First of all, we have worked hard not to have it just a paper exercise but to make it a real management tool. In order to do that one of the key activities was to set up bi-monthly

-8-

each one of those objectives and this is a very important management tool. It turns out that when milestones are missed or milestones are beaten, and you have both cases, or just met, you may want to reallocate resources in midstream. You might even want to bite the bolt and say let's not do that objective this year and we've had cases of that, when we couldn't support the things adequately and rather than doing a half-baked job, let's not do it at all, let's postpone it to next year. I think that all who have participated in the MBO review have agreed that it has been successful this year. Now, in the coming year we're going to be a little more sophisticated. We've had objectives which were limited or constrained to office by office. This coming year we have some objectives which are shared by offices. This is another dimension of difficulty and sophistication and I'm sure we will stub our toes on them from time to time and learn a little bit, hopefully, and be able to handle that kind of an activity. One item, and I believe it should be listed as an objective for this year, is to assure that the idea of Management by Objective does not stop at the top level of an office or a career service, but does in fact filter down. I'll clearly tell you that the exercise that you recently went through called Letter of Instruction will not only have an impact on fitness reports and how they are filled out in the future, but will also be overtaken and replaced by MBO down to the lowest level within the Organization. The rest of the Agency may not go this far, but I tell you this, we will.

Next subject about managing our organization, and this addresses more than career service aspect, effective the first of July we established an M Career Service. A lot of people thought that this was very strange, very spooky and an unusual action. M standing for Management, and I think that's what we really have to give to this Agency is strength of management.

-9-

But more than that, we have to unify ourselves into a single career service, and we are in fact a single career service. The M Career Board is chaired by Mr. Blake, the ADD, made up by all the Office Directors who are responsible for the career management of all supergrades in all our career services, now one career service. Each Office Director is head of what I call a subpanel. So to pick on Tom Yale and Frank Van Damm, who complains that I pick on him all the time; Tom Yale is head of a Finance sub-career panel which concerns it self with the career management of all the people in the Finance areas up through and including Grade 15. But there is an overlap and we have to worry about the transition in career management. So in order to bridge the gap, I've said that the M Career Service Board will review the educational assignment and the work assignment of all GS-14s and will approve the recommendations of the subcareer panel of all GS-15s and will recommend to me all promotions for all GS-15s and GS-16s. Now this is a career management technique which recognizes skills--unusual skills--unique skills--that people may have. At the same time, I think it represents a motivation to become multi-disciplined and multi-skilled and not to be limited to just a Finance Officer or just/^a Personnel Officer or just a Security Officer. This leads to the question that's been bandied about called lateral mobility.

I can't make lateral mobility occur, you have to. I can say this, that anybody who desires lateral mobility will be encouraged to do so, will not be punished for leaving one skill discipline and wanting to go to another. But, you have to qualify. You can't be a GS-12 in one skill discipline and say one morning that "I'd like to be in another skill discipline. You promised me lateral mobility." Well, it's not going to work that way. If you want to go into that other skill discipline you have to get some credentials. Now you get credentials in many ways. One, you can take

-10-

advantage of educational opportunities. I'll talk about the off-campus program when I talk about OTR. You can get some credentials by volunteering, whether it be at an overseas station or here at headquarters. When somebody is out ill or somebody is on leave, say well, I'll be the babysitter of his functions. Maybe I'll learn something about what he does and it will no longer be a mystery to me. I think that the role to achievement, advancement and success is to be multi-disciplined and to have a broad base of skills and not be limited to one narrow discipline. Since our career service board is representative of all the disciplines in our career service, I think you would have a better chance if you are multi-disciplined.

Now, we have talked about the career service board, we've talked about the subcareer panel. Here's a nasty part of that. We will rate peers twice a year in a ranking in terms of their performance. Not everyone can be at the top of the list and not everyone can be at the bottom of the list. But clearly, if we face personnel reduction, and I think we may have to, normal attrition may not handle it all completely. If you are tail-end Charlie continuously on your ranking, your job is in jeopardy. I don't want people to come to me three years from now and say "but gee, nobody told me", because you will be told in a frank and forthright manner. If you take that as constructive criticism of you and your performance and work out a plan with your career management officer and/or your supervisor for your improvement, whether it be education or attitude or ability to work and think in a changing lifestyle, I think they will be more than happy to work with you and remove you from the tail-end Charlie position. But, let that message be loud and clear to everyone!

-11-

When Bill Colby was Executive Director-Comptroller he responded to Federal pressures in the Federal hierarchy to develop two plans: one is the Personnel Development Program and the other is the Annual Personnel Plan. We have gone through our first exercise of doing this plan. These two plans are very interesting. The Personnel Development Plan as I see it, is basically a lot of statistics. But, it's these statistics which give me and the Director a level of confidence that they are backed up by specific plans for everybody in every career service or every sub-career service and that is the plan; your next assignment, what education you need to move up into the next slot. Right now the plan by word of the DCI includes all GS-15 through 17s and SPS positions. On our weekend exercise we included in this area the GS-18s. By next year it will include from GS-13 on up. Now, below GS-12 has got to be addressed because of the large number of people involved. Its got to be addressed by groups and so, in some sense you'll be attached perhaps to a class and the class will move through a career progression and then when you achieve GS-13 level, we'll start dealing with you on a more individual basis. However, I don't want that proposal to inhibit you from talking to supervision and career management officers about your own plans and how you intend to get where you want to go. But really we can do the planning and we can develop a level of confidence that we are doing the right thing to maintain the right level of management and talent in the Organization, but the real basic initiative and the real work has to come from you as an individual.

Now on the Annual Personnel Plan. We have completed that and that covers the entire spectrum. This is a statistical analysis of how long people have been in jobs graded at a 14 and only a 13 level where perhaps supervision has played some games because of statistical pressures. It

-12-

indicates personnel losses, needed personnel gains, at all levels I might add, training, background, planned promotions, specific EEO staffing requirements and most important, promotion plans. Promotion plans, I believe we will all agree, except for those who are burdened with an asterisk, are most, most important.

(NEXT SLIDE)

Now I would like to talk about the individual offices. This is the Office of Personnel. The highlights are most important. They are the executive agent of the DCI and will continue to be in terms of the Personnel Development Plan and the Annual Personnel Plan. They have a rough road to hoe. There have been many retirements. There have been excess exercises. This has put an unusual burden on them and still they have been able to do their job with a considerable cut in manpower.

(NEXT SLIDE)

Office of Medical Services. Here the problems that John Tietjen and his people have had to face have been rather interesting. We've had an



STA

manpower. In addition, they have automated, as a good many of the offices, some of their functions so as to be able to do more for less, and Multiphasic Testing is a key point here. Physicals, periodic physicals, for everyone's good health and well being will be brought down to lower levels as Multiphasic Testing progresses. Incidentally, I have to admit that it isn't all charity on the part of the Agency. We have an invested interest here too. We would like to cut down the use of leave time, sick-leave time, and health problems so as to have an aggressive, dynamic staffing. The selection/ screening of personnel has been neglected. And finally,

-13-

assessment centers, centers geared to examining people in terms of assessing their management potential and management ability so that they may be labeled for future advancement in the Organization. That's a rather difficult job.

(NEXT SLIDE)

The Office of Security. Before going into the achievements of the Office of Security, I feel compelled to answer a question that has not been asked to me directly but that has echoed through the halls and I'm sure is in the back of a lot of people's minds. A couple of weeks ago Howard Osborn came to me and requested that he be permitted to put in his papers for disability retirement. This was a personal decision that he made that's not related to anything spooky or what have you. Howard has been with the Agency for many years. Was originally in DDO, the Soviet Branch, moved into the Office of Security and progressed to be the Director of Security for ten years. The Director of Security's job is a rather unusual one. The long hours, the odd hours make the job most difficult. Howard has been feeling his age and felt that he could no longer carry on in the same manner that he had in the last ten years and he preferred to op for disability retirement.

Because I hadn't had my weekend with my Office Directors on succession, this was rather a precipitious move and once again I found myself in the very odd position of not having done adequate planning. I vowed that it would never happen again, believe me. So, what I did was, being pressed by this and respecting Howard's wishes and desires, I took the jack of all trades, Jack Blake, who is the ADD, and said, "Jack, you've never had a tour down in the Office of Security. It will probably be beneficial to your career advancement. Would you go down and take that over for a short period of time until we can see our way clear as to how

-14-

we may progress." And so, he's down there and he and Charlie are doing a fine job carrying on in the same traditions that Howard and his predecessors established over the years. Incidentally, perhaps this might be considered Howard's parting shot and maybe he was motivated. He didn't want to see how it worked out. The Office of Security did go through a major organizational change; really restructured. And I think that the real evidence is a reduction of 129 slots, and I'll leave the actual arithmetic of the percentage change of reduction to you for sometime after dinner this evening. In addition, the Office of Security has been very,

ST

-15-

point where automation is helping us solve our problems in terms of responding to budgetary and slot pressures that we are under.

(NEXT SLIDE)

Office of Logistics has been under a great deal of pressure as we all have. You can see their position authorization has gone down considerably as well as their personnel strength. I think the highlight is the closure of [] in May 1973. Incidentally, that is a fallout of the reduced paramilitary activity. We are seeing here at the Agency a termination of the [] again related to paramilitary activity, and a major reorganization of the Supply Division which can reduce slots, automate some of the purchasing and buying activities and also improve the efficiency and leadtime of procurement.

(NEXT SLIDE)

Now we go to the Office of Finance. Office of Finance has gotten involved in inbound commuter travel allowance rates. They have also, and they don't list it as a highlight, I suspect they call it bread and butter, will have to survive with all the devaluation and revaluation of currencies around the world in terms of support of all our stations, and we do have quite a few. In addition, they have gone to the computer for automation. They do have an automated payroll system and now will have a Data Access Center in which to carry on their day-to-day business. Hopefully, they will be able to improve, although it is difficult to see how, all of their work. But, they certainly will be able to do with considerably less people.

Incidentally, let me bring up a question which may not have been fully exercised in the last couple weeks. There was a problem of some 70 odd checks to the Riggs Bank recently that did not get to your accounts. It

-16-


is related to the fallibility of computers but fortunately it turned out to be the fallibility of the Riggs Bank computer and not ours. So Harry Fitzwater and Tom Yale were not guilty if you thought they were. But Tom and his people did step right up to the breach in spite of the fact that the checks were missing for almost two weeks. Your bank accounts were protected as soon as we became aware of the situation and I think there are high marks for that.

(NEXT SLIDE)

TAT The Office of Communications has gone through radical change. I'm not sure whether [] are all responsible for it. I think some of it has been responding to pressures. There has been a tremendous personnel strength cut as you can see. I think it's interesting to note in terms of field stations that the Agency field stations were reduced [] but the Office of Communications field stations that they man went up by one. This gives you the personnel ceiling authorization which represents a very dramatic cut and reallocation of some of the activities. The total number of messages keeps going up. This is a mysterious item and one of these days I'm going to try to get to the bottom of it. Another key items which is not on the chart, and I suspect Jack

TAT

ST



a job well done. It shows that the Office of Communications can handle the crisis and emergency situation and I think they deserve a well done.

-17-

(NEXT SLIDE)

But, they are not content to sit on their laurels. The Automated Communications Terminal in April 1973 was a big assist in making these



duction very soon to assist in terms of handling traffic without increases in manpower, and finally, the use of SKYLINK and when SKYLINK did go out a while back they were still able to handle traffic with their various backup situations and supporting an office that is sued to handling emergencies and handling them well.

(NEXT SLIDE)

The Office of Joint Computer Support was transferred from DDS&T with the desire and direction to merge all computer assets in the Agency into one area. The third item was the first step in that, the consolidation of CRS computer processing which took place in November 1973. We still have some other chores to do in that range. I might go to the second item, SIPS to MAP. SIPS is a familiar acronym to you people, MAP is not. MAP stands for Management Assistance Program and this is the offices contribution to the support of not only M&S but the entire Agency in terms of using the computer to automate records, files, achieve retrieval systems so that we can do a more precise job in terms of our manpower, medical records, security records, finance records and at the same time not permit the complexity of mundane life to force us into increasing slots. SIPS was on my staff. My staff has been considerably reduced. This was one of the ways in which I did it and assigned it to the Office of Joint Computer Support where it really belongs because they are the people doing the work and they are working with the cooperation of the rest of the offices. As you see,

-18-

we are going to more and more computer usage and this is due to slot pressure frankly and technology availability and they will go from to And then, of course, one of our pride and joys, they are developing a mass storage system. It is a tape, data handling and retrieval system. It will be unique in technology of this country certainly, and once again proves that the people at the CIA do lead the pack, believe me.

(NEXT SLIDE)

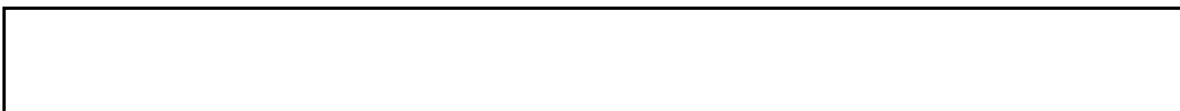
The Office of Training has gone through a rather dramatic change. A 20 percent reduction in manpower which is unusual. Some of that they got for free in terms of reduction of the needs for paramilitary people, but there was a lot of blood, sweat and tears in it. Highlights: I'd like to talk about the off-campus program. We have approximately 300 people attending the off-campus program. Now I'm not going to tell you what it is because there has been enough publicity around so that you should know. But if I assume that there are about people in this Agency, staff employees in the headquarters area, I think 300 is an awful small group of people who could take advantage of the off-campus program, who at the same time turn around and say to me, "I want lateral mobility." And so I think you ought to step to it people.

The eminent speakers program has, as far as I can see, been an outstanding success. The attendance has been beyond expectation and I think it has been a real plus to the Agency in general. We have developed the Information Science Training Program and this is the Office of Training's response to the advancing technology and sophistication of modern living and existing and should be a plus through the long haul for the Agency in general. Career Training Program and finally, a Word Processing Center, working with and his people and hopefully we will be able

-19-

to get our paperwork handled in a more expeditious and complete manner.
(NEXT SLIDE)

Now I would like to go back to the bigger picture. This Agency is unique. It has a unique image. It has a unique facility. It imposes unique requirements on its employees in terms of screening, examination, polygraph when you enter, and in terms of your ability to tell your relatives, your friends and neighbors what you do and sometimes it may be where you work. I think that we are often unique in something we tend to overlook. That there is no other Agency in this Federal system of government that has the equivalent of Where you or your family can call for help 24 hours a day, seven days a week and get it promptly. We have an esprit de corp, we have a sense of professionalism and to think that it stands out completely in everything we do whether it be our intelligence reporting, our products or whether it be through conning some Soviet to



are going to stay outstanding. ^{Person} Now one of the features that I think makes us outstanding aside from the professionalism of day-to-day work is the activity that we have in terms of maintaining our facilities. We are the only shuttle organization that has a Fine Arts Commission and this ^{is} made up of our own employees and this is a task taken on in addition to their normal tasks, a voluntary service and they are concerned with the maintenance of the building, the cleanliness, the attractiveness of the decor, the art works, the art exhibits and I would like to see more volunteers to join that commission and also I would like to see that we do not take advantage of their fine works by scuff marks all over the place. I think

-20-

that the Agency image is important and one of the important features is our building and how we look. I had a visit the other day from the Chairman of the National Capital Planning Commission and one of his key staffers and they took a tour of the campus, they took a tour of the building and they were quite envious and they wanted to know how we did it. I suspect that they are going to establish a fine arts commission of their own. But, I think they will say something we will be proud of.

Now, about the future. The challenge of the future. What is the future going to bring to us? Well, we are going to become a more classical intelligence organization and to quote Bill Colby, "We will become an American intelligence organization." I think the words here mean that we are going to have greater public visibility wherever we can. But where we can't, it clearly will involve sources and methods of intelligence or it could jeopardize an individual whether he be a staffer, an American or a foreigner, we will hold the line. We'll hold the line as firmly, as hard as we possibly can. I think that this future is something that's going to grow with us, the American public, Congress, all who want to know what's happening and why and we are going to have to respond to that change.

Now, the future is going to have some very specifics. (NEXT SLIDE) Rather an interesting chart. It shocked me when I asked for the statistics. The numbers are rather plain. In the United States Government as a whole, 16 percent of the employees are minority people. The Agency is flat 4.7 and M&S is 6 percent. Now we're better than the Agency but I'll tell you something, we're pretty poor in respect to the U.S. Government alone and I think you have seen some evidence recently and will see increasing evidence that EEO is something that's in our future and has to be met. There is no reason why we should have that kind of a poor showing in terms of minority

-21-

groups.

With respect to women, again this is a poor showin- from an Agency point of view and also a very poor showing with respect to M&S. Now, a head count isn't everything and with response to minority problems and women employment, it is often got be looked at levels and so it is rather interesting to look at the statistics of average grade. In the U.S. Government the average grade is 8. We might take some pride in pointing out the average grade of CIA is 10. It means we are just a cut above the average organization in the federal bureaucracy or hierarchy. Incidentally, M&S is 9.7; we want to see what we can do about improving some of that. But, the key point of the chart is government minority average grade is almost 6; the Agency is 6.8 which is higher and DD/M&S 6.5, so we're not too bad with respect to average grade and I think we have to do a little better because there is some masking in the overall U.S. Government in terms of average grade and if we look at other organizations like NSA, we'll find that we are considerably behind them in minority hiring and average grade. In terms of women, it is strange, but for the U.S. Government, the average grade of women is not available. Some computer programmer better get on the ball and straighten that out. In the Agency, average grade is 7.35 and in M&S it is 6.68. So we're behind the power curve there and if this Agency is going to be known for its management, we had better lead the pack and show the way to the rest of the Organization.

(NEXT SLIDE)

I have some interesting statistics which I think might challenge you. A lot of people have told me that M&S is a "U-Call, We Haul" sort of career service and Directorate and we don't really count for much, we don't get much recognition in the Agency and we are second class citizens. You know,

-22-

taking all these words to heart, I thought, well how do I get a handle on this and that puts us in the future because I think it shows that we are not second class citizens and we can even do better. One of the interesting statistics that I have come across is the Medal of Honor and Merit Award that the four Directorates have gotten over the last fiscal year. It turns out that 2.9 percent of the DDO were so awarded. 2.5 percent of DDM&S, 1.6 percent of the DDS&T and 1.1 percent for DDI. I think that that shows that we are getting recognition and I certainly would like to see that we get just a tad more recognition in the future. I'd like to be number one.

Another item in terms of statistics, and that is, where am I going and when am I going to get promotions and, gee, the M&S Career Service is not a place to get advancement and promotions. It turns out that from the first of July 1973 to the 28th of February 1974, a little over six months, 15 percent of our careerists have been promoted. Now you might say, well those are principally down in the lower grades. No, it turns out in that set of statistics, 27 were supergrades. It also turns out that of a collection of 767 promotions in that period, half were above the GS-9 level. And so I think that if you have these kinds of complaints, maybe you got to look to yourself a little bit because the people sitting next to you seem to be moving up. This is a challenge of the future and I think we have a future. I think we have got to step up to some of our problems, to EEO, promotions, education, and we have to start making our own opportunities. I know that we are all here to help anybody in any way they can but a lot of it begins right with you.

That sort of ends the formal presentation but I would like to add a few words may be of an informal nature. By design, today is about, within days of one year, that I have taken on this job and this responsibility.

-23-

It has been an interesting and exciting year for me. It has been a challenging year. But, I have to say that it is a year in which our accomplishments could not have been as numerous as they are without the solid support of all my Office Directors and my Key Staff People and, of course, most importantly, the support of all of you.

Now, I've had my say, now I think its time for you people to have your say.

QUESTIONS?